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September 21, 2005

The Honorable Elaine L. Chao
Secretary
U.S. Department of Labor
200 Constitution Avenue, N.W.
Washington, D.C. 20210-0002

Dear Secretary Chao:

The State of Louisiana appreciates your assistance in removing barriers and providing us with the flexibility to design and deliver workforce services that will allow us to respond effectively to the Hurricane Katrina disaster and its effects.

In order to better coordinate services from the various funding sources being used in this disaster, I am asking that the WIA Title I waivers previously approved in my letter of September 4, 2005 also apply to all NEG grants provided to the Louisiana Department of Labor and to the H1B High Growth Initiative training grant the state recently received.

Thank you for your consideration of this request. I would appreciate an expedited response so that we may be able to move forward in our efforts.

Sincerely,

Kathleen Babineaux Blanco
Governor
State of Louisiana



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September 27, 2005

The Honorable Elaine L. Chao
Secretary
U.S. Department of Labor
200 Constitution Avenue, N.W.
Washington, D.C. 20210-0002

Dear Secretary Chao:

As you know, my state was severely impacted by Hurricane Katrina. We have an immediate need for increased flexibility to design and deliver workforce services that will allow us to respond effectively to the disaster and its effects. Accordingly, we are requesting the following Workforce Investment Act (WIA) waivers:

1. Waiver of the administrative cost limitation set forth at WIA Section 128(b)(4)(A) and 20 CFR 667.210(a)(2). In many local areas, the hurricane has created the need for additional administrative expenditures to replace losses and to handle the increased demand for workforce services. This waiver will allow me to extend flexibility to those local areas that demonstrate need. The state understands that this waiver is limited to six months from date of waiver approval.
2. Waiver of the funds transfer limitation at WIA Section 133(b)(4) to permit the state to approve local area requests to transfer up to 100 percent of local area allocations between the WIA Adult and Dislocated Worker programs. This will increase the capacity of affected local areas to meet the needs of hurricane-impacted individuals and employers.
3. Waiver of the language that limits the authority to provide the activities identified in WIA Section 134 to the state. We are seeking this waiver to permit local areas to request the use of up to 100 percent of local area formula allocation funds to provide statewide employment and training activities. The ability to use local area formula funds more flexibly is extremely important at this time.
4. Waiver of the reallocation provisions at WIA Sections 128(c)(2) and 133(c)(2), and 20CFR 667.160, to permit the state to develop more flexible recapture and reallocation policies. We seek the flexibility to recapture funds from local areas that have not expended at least 80 percent of their local funds in the first year to be used for statewide use or reallocated to other eligible local areas. We also request the ability to consider additional factors in determining local area eligibility for a reallocation of recaptured funds, including demonstrated need and ability to use additional funds.
5. Waiver of the required 50 percent employer match for customized training at WIA Section 101(8)(c). This will allow local areas to offer a sliding scale match based on criteria developed by the state for businesses impacted by the hurricane and those training hurricane-impacted individuals. Under the waiver, we request the flexibility to permit local areas to reimburse the employer for up to 100 percent of the wage rate of participants.

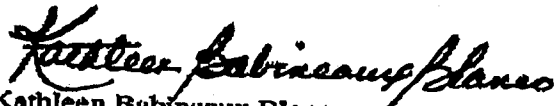
6. Waiver of the employer reimbursement for on-the-job training at WIA Section 101(31)(B) for hurricane-impacted businesses and businesses training hurricane-affected individuals.
7. Waiver of performance provisions at WIA Section 136(b) and (c) and associated reporting requirements for Program Year 2005 for impacted areas. If this waiver is not possible, we request a "hold harmless" for state and local performance measures. We are seeking this waiver so that local areas can focus on service delivery to affected individuals.
8. Waiver of the prohibition on the use of funds for public service employment at WIA Section 195(10). This will allow us to provide employment for affected individuals in clean-up and recovery efforts. Authority for this waiver is limited to six months from date of approval.
9. Waiver of the limitation on use of funds for capitalization of businesses at WIA Section 181(e) to permit WIA funds to be used to capitalize a small business up to \$5,000. This will allow us to assist businesses that were destroyed by the hurricane and to create new employment opportunities.
10. Waiver of the requirement that local programs provide each of the ten youth program elements at WIA Section 129(c)(2) as options available to youth participants. Such a waiver will allow affected local areas to focus on the youth elements most needed to meet the needs of youth.

Additionally, we are requesting designation as a work-flex state. Under this designation, we would like to provide waivers to provider eligibility provisions applicable to local areas under WIA Section 122. We seek the flexibility to enable local areas to provide training for individuals by instructors and providers they deem most qualified, given the immediate demand for training and the loss of training providers. The state will ensure that training providers are helping individuals with skills in demand that lead to sustainable employment. As other local level barriers are identified during the recovery process, we hope to provide additional waivers for local areas under the work-flex authority.

We are submitting these requests per the requirements for submission of a waiver plan under WIA Section 189(i)(4) and 20 CFR 661.420, and the requirements for submission of a work-flex plan under WIA Section 192 and 20 CFR 661.430. Accordingly, we have determined that there are no state or local statutory barriers. The waiver plan and work-flex plan will allow the state to immediately address the workforce challenges facing the state. The precise programmatic and performance outcomes will be negotiated with the ETA regional office within the next three months. The state will monitor progress and ensure accountability for federal funds in connection with these waivers by reviewing monthly expenditure, performance and other reports submitted by local boards, through regularly scheduled calls or meetings with local board directors, through regular contact with the ETA regional office liaisons, and through its monitoring and performance accountability system. We have posted the waiver and work-flex plans to our website for review and comment, and have consulted local boards and other stakeholders.

We appreciate your consideration of these requests and seek an expedited response, if possible, so that we may be able to move forward in our efforts.

Sincerely,


 Kathleen Babineaux Blanco
 Governor
 State of Louisiana